

Portland Society of Medicine
December 5, 1956

HELPING MEDICAL RESEARCH

In selecting a subject for a talk and in choosing how to deal with it, one is often torn between trying to be temporarily interesting or permanently useful; between talking to the audience or addressing one's self to the subject. I decided when I received Dr. Labby's most welcome invitation last spring that these alternatives might not necessarily be mutually exclusive, but I might as well confess that I've had trouble with finding a satisfactory title to this talk. I want to talk from experience - and not only that, but from experience that I suspect awaits many of you in the next three or four decades.

In saying this, I have in mind the recent and probably continuing growth of funds, foundations, national societies or agencies, and government support for medical education and medical research. This oncoming growth I expect because the growth of financial support for these purposes and from such sources has been little short of astonishing during the last decade or two. I remember when, in the East, we had begun to remind ourselves in self-conscious resignation that the day for the creation of large new foundations was over. There were a lot of inferences to be drawn from so profound a generalization. Perhaps the most important but least expected actual event was the news of the creation of the Ford Foundation - and its impressive dimensions. That immense development in attracting attention to its own potentialities has furthermore diverted attention from the steadily increasing number of smaller funds and foundations that have come into being in the last two decades. Besides that development, peculiar to the decades 1940-60, we have

become the almost incredulous witnesses of huge increases in federal and state support of medical education and research. But the point I would accent is not the mere number of millions currently available for medical research, but the natural unfamiliarity which most of us have with the inherent problem of wise giving of so much money. Furthermore, I venture to think that many in this audience will have serious and novel responsibilities for the wise expenditure of money for medical teaching and research, and this all to come particularly within the next three decades - your working lifetimes.

Now, I could not offer you any comment in any conviction that a philanthropoid (which Frederick Keppel of the Carnegie Corporation used to call us foundation officers) "has all the answers." My conviction derives much more from a statement a friend showed me years ago that appeared in the house organ of the Lauritsen Steamship Company which ran as follows: "Good judgment frequently comes from experience; and experience frequently comes from bad judgment."

Now even if everyone in this audience were to become a trustee or an officer or a scientific adviser in some private fund or public board for the expenditure of large funds on medical research or education, I would do well to admit right now to having witnessed or perpetrated a larger variety of mistakes in judgment than any one of you will encounter or commit in your term of service. In short, Dr. Labby's invitation made me wonder whether, now that I have retired from The Rockefeller Foundation completely, I could not offer you some personal nonofficial remedies publicly for the first time, for which the responsibility I'll take as my own. Since I suspect that some of you will

encounter similar problems in the not very remote future, I can hope that comparison might be helpful. Responsibility for selecting and administering the expenditure of a large sum of other people's money, supplied by taxation, or by private donors, or by public subscription, involves more considerations than are at first apparent.

I saw, not long ago, a delightful definition of rhetoric that comes, I was told, from the time of Aristotle: "Rhetoric is the art of conveying conviction without resort to logic." I like to look at advertising in our magazines with that definition in mind - "Rhetoric is the art of conveying conviction without resort to logic." Indeed, I like to watch myself with a bilious eye for rhetorical weakness, and in this hypercritical mood I almost censored out of this speech the page I am about to read, for fear it was just rhetoric. But instead I'll read it in the obstinate hope of encouraging your liberty to disagree with me on any subsequent statement this talk may contain. In brief, I will introduce myself so that you can make reasonable discounts of what I say.

I was the youngest of seven children, in the family of a Congregational minister in Colorado Springs, Colorado. The year I was born, 1890, happens to have been the year that our West ceased to have a continuous frontier extending from Canada to Mexico. The technical definition of a frontier is less than two persons per square mile - in other words, recent memories of the life of the unbridged frontier were about me pretty definitely in my childhood. My father was from Medford Massachusetts: my mother from Louisville, Kentucky. My father was a Harvard graduate, and though that explains why he wanted his four sons

to go to Harvard and a daughter to Radcliffe, only my mother knew how to bring it to pass on less than \$3,000 a year. I owe three-quarters of the cost of my medical education to a Boston friend, Mr. Arthur T. Lyman, who was greatly my senior as well as greatly my benefactor. After an internship at Massachusetts General Hospital and eighteen months' service in World War I, I spent three years in Brazil, as a field staff member in the International Health Board of The Rockefeller Foundation, in a campaign against hookworm disease and in some very rudimentary anti-malarial work. In 1922 I returned to New York and became an assistant of Dr. Richard M. Pearce in what was then called the Division of Medical Education. In 1924 Dr. Pearce sent me to Europe to study the systems of medical education there and the organization of research work. This involved visits and negotiations in all the European countries, including Iceland and the U.S.S.R., but excluding Portugal and Turkey. In 1931 I returned to New York, succeeding Dr. Pearce who had died in 1930. Visits to Japan and China, and later to India, followed. My interests and responsibilities have remained in medical education and research, from 1931 to my retirement last July. I have never had the experience of private practice in medicine, nor held a teacher's position in a medical school. I regret those omissions: doubtless they have left me with many and considerable blind spots. I believe it was Oscar Wilde who said that all criticism is a form of autobiography. With rather lively awareness of limitations in my experience, I have outlined my autobiography so that you can discount my opinions more certainly.

Any one of you who finds himself in the next two decades directly involved in the formation of a fund or an association or an advisory

board concerned with the field of medical teaching or research, can wisely prepare himself for that task by surveying the variety of existing agencies already at work in the field.

The universities, quite naturally, deserve attention because they have a long experience that may be studied to advantage. You cannot, for example, ignore the fact that when the French Revolutionists attained sufficient power they closed the University of Paris but left the Collège de France open to follow its major activity which was not indoctrination but freedom of inquiry. If there be pressures to make indoctrination a capital function of the university, then can we logically differentiate between the state-supported universities and the other so-called private universities?

Anyone who lists all the funds, foundations, or associations whose support is given through medical schools or universities both state and private in support, will find surprise if not astonishment awaiting him at the end of the job of mere listing of all such agencies - astonishment at how many such organizations there are, at how varied are their objectives, and at how many dollars are ready to support so many different causes.

At this point I call your attention to the English aphorism that runs, "He who knows how will always find employment; he who knows why will be his employer." Because of the importance of its implications in higher education, that aphorism rewards any attention you are likely to give it; and I venture to commend it by repeating, "He who knows how will always find employment: he who knows why will be his employer."

The third source of financial support, and it has grown tremendously of late, is government grants. These may relate to the State

treasury or, on the other hand, to Federal funds. Perhaps it will surprise some of you to learn that in one year not long ago when The Rockefeller Foundation was making annual disbursements of about \$1,800,000 for medical education and research, a governmental advisory committee of which I was made a member had \$18,000,000 available annually for fellowships - of a type of work no Government staff member had done before. In the field of medicine actually there is available dollar support from several divisions of the Federal Government - notably the Department of Health, Education, and Welfare, the Atomic Energy Commission, the Department of Defense, the Veterans Administration and the National Science Foundation. And I might add that every one of these agencies is commendably eager to recruit more staff members of experience and appropriate qualifications and good judgment. If you were to observe caustically that the present situation involved "more money than brains," you would be seeing one of the reasons I have chosen to contribute what I can this evening to airing the subject of giving money to the advance of medicine. I beg you to ponder over the fact that money can be voted, and voted quickly; brains take time to be found, trained, and encouraged.

And I would add that even as it is, and generous in comparison to what it was in the past, the support of medical education and research in this country falls far short of what existing medical knowledge and practice could already buy for us. We count the primeval tripod of food, clothing, and housing as the natural essentials of living; we could add medical knowledge as a justifiable fourth leg to make a solid and modern table for living - and staying alive.

Why have I considered it important to list the main sources of support for medical education and research? Well, largely because of the implications each source of support has had, or may be expected as likely to have, in that formidable blend of certainties, probabilities, and unpredictables that we so neatly subsume by calling it all "the future."

Support for medicine from the universities has usually come in the form of an assurance of continuity of recruitment to our ranks. University affiliation has also reinforced the resources which medicine profoundly needs in the application of physics and biochemistry, psychology and sociology to clinical problems. It could go further, indeed so far further that I would prefer to refer to the great contribution of university support to medical education and research as an undisputed contribution toward the universality of knowledge. We all might note in passing, however, that in actual experience the officers of some universities have been embittered by the systemic deformation of their academic balance and harmony that has come from the large grants from the outside to their medical schools. I might be permitted to defend the special funds and foundations in their policy of aiding especially the medical faculties, by pointing out that no single foundation even today has both the policy and income enough to meet the costs of adequate medical education for many of the medical schools in the United States. The funds had to rely on putting a very few schools into a position of leadership, and then relying on emulation and standards and cooperation from many others to exert the necessary influence to bring up the level of the rest. In the past the funds helped to prepare the

teachers the medical schools could call into service when they needed staff to give it, particularly in the preclinical staffs in anatomy, physiology, biochemistry, pathology, and bacteriology.

The history and the nature of the Morrill Act of 1862 and the resultant land grant colleges remove from my mind the common and the otherwise rational fear of Federal Aid to higher education. My only concern is that donor and recipient understand the nature of wise giving and wise receiving. And I can't refrain from wondering whether, as a profession with an average income of over \$15,000 a year, the medical profession couldn't give back to its schools annually considerably more than the price of accountry club dinner? Is \$100 a year too much gratitude to feel for an education most of our profession never paid half the cost of? Perhaps as a profession we are so familiar with giving our services that another pattern of generosity - helping our schools in dollars - proves peculiarly hard to acquire.

The size of the annual income of a fund or foundation and the nature of its portfolio of investments determine, or at least should influence, the nature of the work it can do effectively. Large gifts for buildings or endowment should be accompanied with what are sometimes called "liberalization clauses." These clauses provide that if, in the opinion or intent of the trustees of the recipient institution, the purposes to be served by the building, or the income from the endowment, no longer are to be effectively served, the principle known at law by the name of cy pres can be involved and another similar type of work served by the building or the endowment. This clause may be set forth as operable after 25 years have elapsed from the date of gift, and then

after 50 years complete freedom accorded to the recipient trustees in the use of the money given. Obviously, this provision acts as a protection against the fear of the dead hand. The lively reminder that I recall of the value of such provisions being attached to large gifts relates to the large fund in St. Louis for aiding deserving persons in the expenses of crossing the Great Plains and the Rocky Mountains. This bequest served its original purpose well, but continued actually into the days when the Union Pacific and the Sante Fe had well removed the hardships originally involved in getting to the West Coast.

Mr. Julius Rosenwald was so impressed by the danger of the dead hand that he bluntly stipulated when he created the Rosenwald Fund that its capital funds should be exhausted within 25 years following the death of the founder. As George Vincent wittily observed, this gave the president of the Rosenwald Fund "a concern for Mr. Rosenwald's health that was almost filial in its solicitude." And when the depression brought the stock of Sears Roebuck down from 256 to 11 there were further reasons for questioning the stipulation of complete and early liquidation of capital funds.

The best guarantee of the wise conduct of a large foundation seems to me to be a precise stipulation that capital as well as income may be spent - not must be spent, but may be spent - if the trustees so decide. Such a stipulation reinforces the reasons for the choice of trustees being recognized as being the most serious concern of any large source of aid in the furtherance of medical education or research. And it also reinforces the urgency of the plea that Mr. John D. Rockefeller, Jr., made when he left the Chairmanship of The Rockefeller Foundation,

that the Board of Trustees always contain members "who would brood over the affairs of the Foundation." Note those words - brood over!

Not merely the scale of operations of a fund but their essential nature and probable duration must be your concern. In many a needed development in medical education and research, the essential need involves the selection, training, and assured careers for a new type of personnel. Without tenacity in support no likelihood of permanence results.

The greatest need of a new institution is to be needed. Can you guess how to create cooperation with, and understanding of, a new activity you propose to aid? Foundations can soon find themselves with all their funds and future committed and frozen if they cannot choose enterprises that will soon enlist local sources of support. It is not particularly difficult to find enterprises or ideas that are meritorious; far more difficult is it to form a sound judgment of when to give aid, how much to give without creating extreme or continuing dependency because the work helped doesn't make its value obvious in time to impress other sources of support. For a fund or foundation to make its aid contingent on the recipient's finding support from other sources may be misunderstood as being niggling and timid. But frequently such procedure offers the most reliable indication of the likelihood of local support and appreciation within a reasonable time.

The Rockefeller Foundation in its work in reducing hookworm in Brazil, for example, would offer to pay the total cost of the first year's work, two-thirds of the second year's expenses, one-third of the third year's expenses, and then leave behind a trained corps of native doctors and experienced technicians if the work had proved its value. It was

nearly always our experience that tapering our gifts was a far more graceful and a far more convincing way of scheduling a grant running over a period of time, than paying it in equal amounts every year until a termination that otherwise would have seemed abrupt even if termination had been known and expected from the start.

Though it may seem almost out of order to mention in the same breath with tapering grants another aspect of a more largely psychological order, its importance deserves emphatic attention. When I set out from New York for Brazil, I was given to understand that if I wanted to be well regarded in the home office I should give the Brazilian health officers all the credit for anything that was accomplished; I was to regard myself as their guest and under their orders. I thought this a refreshingly new set of ground rules for a Norte Americano to play under. It became evident quite early on that the health officials just inhaled this public appreciation of their manifestly increased status and competence. For three years they took the credit: so after the fourth year when we left, they had to go on. The point I would underscore is the extraordinary effect of giving away the credit for doing anything valuable. Lao Tse, the Chinese poet, understood it when he wrote:

"But of a good leader who talks but little
When his work is done, his aim fulfilled
They will all say, 'We did this ourselves.'"

When I back off and look at the work of any fund, foundation, association, or committee with money to spend for the common good in the general field of medical education or research, my experience has shown me that the realities prove to be somewhat more complicated than the names we use to describe them. You can say that what an organization with

money to spend has to decide is what it wants to accomplish and how it wants to work. That is an oversimplification. Experience shows that a group of ten to forty men forming the trustees and staff of a newly organized fund or committee or foundation have usually required from three to ten years to find what they agree is worth doing and also doable. Moreover, a fund usually discovers that it must rely on collaborators, and that not only finding its own staff, but also finding the best that can be found in independent collaborators whom it may aid, takes time.

In terms of internal organization, a new fund has to fix a clearly understood place for the task of proposing what to do, as contrasted with the power and the responsibility for voting the money and approving the methods to be followed in using that money. In much the sense of the old phrase "man proposes and God disposes," the organization I have known best held its officers to the task of proposing and the trustees to the task of disposing - i.e., of approval or modification or rejection of the officers' proposals. Wickliffe Rose, as Director of the International Health Division, used to reply to questions as to the policy of the Trustees of The Rockefeller Foundation: "I cannot tell you. I can tell you what they have done and what they have declined to do. They reserve their freedom to decide any question put up to them in the future on what they believe to be its merits when it is proposed."

As a protection against any temptation for the officers to exceed their powers, they may wisely be required to report annually to the Trustees all requests and proposals declined; and if I add that these declinations used to run between 2,000 and 3,000 or more each year, you

will see that the power of the staff as contrasted with that of the Trustees was carefully watched.

A different control was exerted over the Trustees and in a quite different way. The tendencies that trustees of a new organization or foundation have are to suggest specific grants to be prepared by the officers for the trustees' approval. This tendency can be effectively controlled by steady insistence on the clarity, thoroughness, and foresight of all items in the docket submitted by the officers for trustees' action. The natural reluctance of a trustee to propose an action that thorough study and full delineation in the docket might show to be clearly second-rate, succeeds rather remarkably in keeping trustees out of unwise interference with the duties of officers and also out of pointed disagreements among themselves.

To generalize almost excessively: the officers must find and propose grants to be approved by the trustees, whereas the trustees must judge the value of the officers' proposals. The trustees also have the supremely important duty of selecting the officers and of renewing their own number, i.e., of selecting their successors. A moot question, or at any rate a point on which the practice among existing funds, foundations, associations, and advisory committees varies considerably, is whether trustees should be required to resign on reaching any stipulated age. With the number of persons over 65 now four times larger than it was fifty years ago, we could expect substantial changes in the attitude to what should be "the" retirement age, or a stern insistence on the part of those who believe that foundations should stay young if they are to act as instruments of adjustment to changing needs of generation after

generation. Times change and foundations should make an effort to keep young and alert.

When John Finley retired from the editorial rooms of the New York Times he gave an old aphorism heroic stature by saying, "Nothing succeeds like successors." Being retired not yet six months myself, I am greatly in sympathy with Finley.

Of course the commonest forms of aid received for medical education and research are endowment, buildings, grants in aid, and gifts for the training of personnel, usually in the form of fellowships - local or involving travel, and for a wide range of ages or degrees of maturity, but usually devoted to individuals planning to enter or already in teaching or research positions. The more I see of the present circumstances in the medical schools, the more I would favor giving newly appointed professors the title of Professor Designate for the year before they take up full responsibility of their new posts. As Professor Designate, the newly appointed professor should be given the expenses of travel to see his professional colleagues in other institutions and to get to know younger men he might call as recruits to the department he is to head.

Each of the major types of foundation expenditure has its own advantages and its own obstacles or characteristic abuses. Large foundations can wisely expect to encounter their recipients' suspicions as to whether they are seeking to control the policies of the recipient institution. If the word "anticipate" means not merely "expect" but "to take action in expectation of," then a newly formed group of trustees can wisely anticipate requests for large sums of money from institutions whose managements have accumulated large deficits in what were considered

to be "good causes." I have known of funds that refused to consider requests from institutions operating with deficits on the ground that deficits provide evidence of inept management, but this ruling too rigidly applied is doubtful. Though personal loans may seem obviously out of the range of a foundation's purview, it is a great advantage to have an explicit exclusion of such expenditures from the outset.

Experience shows that funds whose approval has value merely as a cachet of approval to impress other supporters, may be asked for \$10,000; and yet if they don't succeed at that level the petitioners may reduce the request to \$1,000 and feel that such a reduction makes their request almost irresistible.

A somewhat similar attitude which the officers of a new foundation can both expect and anticipate is to be offered election as trustees of some other foundation or even a needy institution. Experience shows that acceptance of one such election rapidly makes refusals of still other elections extremely invidious, as well as raising inevitable question of the officer's discrimination and needed detachment in his essential work as a judge of quality of all the institutions likely to be seeking aid. For somewhat comparable reasons, I am opposed to foundation officers in active office accepting honorary degrees from institutions that have received or would like to ask for financial assistance.

The better known a foundation is, the happier is a recipient of even a small grant. This increases the tendency, and one could at times say the temptation, for the officers of a large foundation to become the largest single distributors of chicken-feed in the U.S.A., thus avoiding

opportunities that call for courage and hard thinking and tenacity, but robbing the smaller foundations of opportunities they otherwise could seize. Mrs. Edith Wharton coined an excellent phrase that is applicable to this mistake of making large numbers of trivial grants - "getting into the thick of thin things."

I have become since 1922 increasingly sure that the best way to find written declarations of publicized foundation policy lies open to you by making a digest of a long series of decisions on actual cases. Now the ingenuity of the human mind in getting around explicit statements of policy seems to match the ingenuity involved in formulating such policy statements. I saw this important fact illustrated when I was still in college. The faculty decreed that football players had to stand in the top third of all their classes. Since the elective system allowed free choice of even small and recherché courses, all that was needed by the athletes was to get friends among their classmates to enroll in the small courses purposely chosen by the athletes and promise to get poorer marks than the athletes and thus leave the football players in the top third academically.

Perhaps the most valuable rules a new foundation can set for itself is that it be invited by the expectant institution to visit it and that the institution prepare a request of the amount needed and the timing and purposes for which it will be used. Nothing short of experience would suggest to most of us how delicate and yet how valuable it is to have an invitation to visit from the responsible administrative officer to the foundation officer. This procedure may be very helpful in revealing the existence of cliques and quarrels of real significance in the institution.

Let me add, in closing, some general comments on those attitudes and underlying assumptions on the part of organizations with money to spend for medical education and medical research. Though these comments may at times seem to have the flavor of moralistic obiter dicta or of ethical clichés, they are at least opinions based upon personal experience of using them or of personal experience of the penalties consequent upon failing to use them or even seeing them applied. I would gladly join the company of Old Man Swift who is reported to have said: "Honesty is the best policy; I've tried both and I ought to know."

In the first place, gifts of money are gifts of power, and Lord Acton's remark deserves to be remembered unceasingly: "Power tends to corrupt, and absolute power to corrupt absolutely." Now money does not have to be given away to be powerful; withholding it is power - power that can create rancor, embitterment, suspicion, and hostility that can outlast the life of its possessors. You can be, or you can find, men of great shrewdness as appraisers of ideas or judges of other men or critics of what is wrong that needs changing, and yet be the most disappointing negotiators imaginable in point of arranging a grant. "It isn't what he did but the way he did it" - this familiar observation comes forward again and again in fields we call philanthropic.

Finally, a fact I think we all heedlessly underestimate is that if wise giving is admittedly rare, then the ability to receive wisely calls for a state of grace that needs the exercise of more imagination than most donors usually show, or even recognize as being in the subtle relations always existing between donor and recipient. We all know that giving money to a friend may be delicate. Few of us realize that becoming

a friend of institutions we would like to give to, is equally delicate and demanding. Grants of money are at their best when they are gifts of freedom, and also gifts of both personal and impersonal sympathy, and gifts accompanied by tenacious confidence. And the most enchanting, graceful, and effective gift of all occurs when we give away all the credit of the gift to the recipient - where it belongs if our judgment was sound.

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